



July 31, 2021

**THE PHILIPPINE STOCK EXCHANGE, INC.**

6/F PSE Tower, 5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**  
Head, Disclosure Department

**PHILIPPINE DEALING AND EXCHANGE CORP.**

29<sup>th</sup> Floor, BDO Equitable Tower  
8751 Paseo de Roxas, Makati City 1226

Attention: **Atty. Marie Rose M. Magallen-Lirio**  
Head, Issuer Compliance and Disclosure Department

Ladies and Gentlemen:

Please be informed that the Board of Directors of BDO Unibank, Inc. (the "Bank"), at its regular meeting held today, July 31, 2021, approved the financial statements of the Bank for the 1<sup>st</sup> Half of 2021.

The Bank will be releasing to the press the attached statement.

Thank you.

Very truly yours,

**ALVIN C. GO**  
SVP/Assistant Corporate Secretary and Alternate  
Corporate Information Officer *N*

**BDO Unibank, Inc.**  
BDO Corporate Center  
7899 Makati Avenue  
Makati City 0726  
Philippines  
Swift Code BNORPHMM  
Tel +632 8840-7000

[bdo.com.ph](http://bdo.com.ph)

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2 August 2021



## BDO earns ₱21.4 billion in 1H 2021

BDO Unibank, Inc. (BDO) delivered ₱21.4 billion in profits in the first six months of 2021 on the back of a strong sustainable earnings stream and normalized provisions.

Customer loans remained flat at ₱2.3 trillion compared to the same period last year. Total deposits grew to ₱2.7 trillion led by the 13 per cent rise in Current Account/Savings Account (CASA) deposits, resulting in a CASA ratio of 84 per cent. Net Interest Income (NII) totaled ₱64.4 billion, with Net Interest Margin (NIM) at 4.06 per cent for the period.

Non-interest income went up to ₱29.7 billion, led by fee-based income which grew by 20 per cent to ₱16.1 billion, and insurance premiums contributing ₱9.2 billion, up by 31 per cent. Trading and forex gains normalized to ₱2.0 billion.

Operating expenses grew by four (4) per cent at ₱60.9 billion driven by the 29 per cent growth in expenses related to life insurance business. Excluding the impact of the life insurance business, operating expenses would have increased by only one (1) per cent.

Total provisions amounted to ₱6.8 billion as the Bank continued to build up its buffer. This was lower than the pre-emptive provisions booked in the 1H 2020 against possible pandemic-induced delinquencies. Provisions to Gross Loans in the 2Q 2021 was steady at 3.1 per cent. Gross non-performing loan (NPL) ratio is at 3.1%, still well below the Bank's worst-case expectations of four (4) to five (5) per cent, while NPL cover remained more than adequate at 100 percent.

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Total capital base strengthened to ₱412.7 billion, with Capital Adequacy Ratio (CAR) and Common Equity Tier 1 (CET1) ratio both increasing to 15.0 per cent and 13.9 per cent, respectively, well above regulatory minimum. The Bank's Book Value per common share rose to ₱92.57 as of end-June 2021 compared to ₱82.28 for the same period last year for a 12 per cent year-on-year growth.

The Bank's Return on Average Common Equity (ROE) for the 1H 2021 improved to 10.75 per cent from 2.27 per cent in the same period last year.

BDO's solid balance sheet, healthy capital position, and sustained earnings performance put the Bank in a good position to leverage on the country's economic recovery.

### **About BDO**

BDO is a full-service universal bank which provides a wide range of corporate and retail banking services. These services include traditional loan and deposit products, as well as treasury, trust banking, investment banking, private banking, rural banking, cash management, leasing and finance, remittance, insurance, retail cash cards and credit card services.

BDO has the country's largest distribution network, with over 1,400 consolidated operating branches and more than 4,400 ATMs nationwide. It also has 16 international offices (including full-service branches in Hong Kong and Singapore) in Asia, Europe, North America and the Middle East.

BDO ranked as the largest bank in terms of total assets, loans, deposits and trust funds under management based on published statements of condition as of March 31, 2021. For more information, please visit [www.bdo.com.ph](http://www.bdo.com.ph).